



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 8, 2015

ME. VICTOR RIZZO, TREASURER
MASON TENDERS DISTRICT COUNCIL OF
GREATER NEW YORK & LI PAC
266 WEST 37TH STREET, 7TH FLOOR
NEW YORK, NY 10018

Response Due Date
07/13/2015

IDENTIFICATION NUMBER: C00337733

REFERENCE: APRIL MONTHLY REPORT (03/01/2015 - 03/31/2015)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 1 item(s):

1. Your February Monthly (1/1/15-1/31/15), March Monthly (2/1/15-2/28/15) and April Monthly (3/1/15 - 3/31/15) Reports combined contain(s) information disclosed on Schedules H1 and H4. These schedules are used by committees which have separate federal and non-federal accounts to disclose the allocation of funds for expenditures between the two types of accounts. However, your reports do not show payments from a non-federal account on a Schedule H3, as would be customary for committees who allocate between accounts. If your committee does not maintain a non-federal account, all disbursements should be disclosed on a Schedule B and no allocation schedules filed. Please clarify the procedures you are currently using to allocate shared expenses if any, and report future transactions appropriately.

Please note that transfers for allocated activity must be made within a 70-day time period: no more than 10 days before and no more than 60 days after payment to the vendor. (11 CFR §§106.6(e)(2) and 106.7(f)(2))

2. For your information and consideration when preparing future filings, Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Be advised that payroll deductions should also include the frequency of the deduction and amount deducted per pay period. (11 CFR §104.8(b)). Please refer to the enclosed sample of properly reported payroll deductions.

MASON TENDERS DISTRICT COUNCIL OF GREATER NEW YORK & LI PAC

Page 2 of 2

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1164.

Sincerely,

A handwritten signature in black ink that reads "Nicole Miller". The signature is written in a cursive, flowing style.

317

Nicole Miller
Sr. Campaign Finance & Reviewing Analyst
Reports Analysis Division

Payroll Deductions

SCHEDULE A (FEC Form 3X)
ITEMIZED RECEIPTS

Use separate schedule(s) for each category of the Detailed Summary Page

FOR LINE NUMBER: (check only one)
☒ 11a ☐ 11b ☐ 11c ☐ 12 ☐ 13 ☐ 14 ☐ 15 ☐ 16 ☐ 17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
Critical Reason Inc. PAC

Full Name (Last, First, Middle Initial)
A. Kant, Immanuel

Mailing Address
3 Critiques Ave.

City
Königsburg

State
VA

Zip Code
33333

FEC ID number of contributing federal political committee.
C

Name of Employer
Critical Reason Inc.

Occupation
Brand Manager

Receipt For:
☐ Primary ☐ General
☐ Other (specify)

Aggregate Year-to-Date
285.00

Date of Receipt payroll deduction*
MM / DD / YYY

Amount of Each Receipt this Period
90.00
(\$15.00 biweekly)**

*Adding Extra Text/Explanation:When using FECFile electronic filing software, this information can be entered using the “memo text” window.To make a memo text entry, select the “view” menu on the FECFile toolbar. Select “All Transactions.” Single click (highlight) the transaction to which the memo text will be attached.Then select the “Edit” menu on the toolbar and select “memo text.”

**When using FECFile electronic filing software, enter this information in the “description” field.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager’s aggregate contributions are \$195—still below the \$200 itemization threshold.The manager’s second-quarter contributions again are included in “unitemized contribtutions” in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager’s contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See the illustration above.)

In-Kind Contributions

When determining whether to itemize an *in-kind contribution* received, follow the same guidelines listed above under “When to Itemize Receipts.” See page 9 for information on how to determine the dollar value of an *in-kind contribution*.

In addition, add the value of the *in-kind contribution* to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the *in-kind contribution* must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration on page 56.

Appreciated Goods

When a committee receives an *in-kind contribution* whose value may appreciate over time, such as stock or artwork, special reporting rules apply:

- Itemize the initial gift, if necessary, as a *memo entry* on Schedule A (see “When to Itemize Receipts,” on page 53). Under “Amount,” report the fair market value of the *contribution* on the date the item was received. Do not include that amount in the total for Line 11(a)(i) on the Detailed Summary Page.
- Once the item is sold, report the sale price as a *contribution* on Line 11(a)(i) if the purchaser is known or as an “other receipt” on Line 15 if the purchaser is unknown.

Itemize the transaction on Schedule A if necessary. 104.13(b). See also AO 1989–6.

Joint Contributions

A *joint contribution* is made by a single check that bears two signatures.A check with one signature may also be a *joint contribution* if an accompanying form or letter, signed by both contributors, instructs the committee to treat it as a *joint contribution*. (A check drawn on a joint bank account but signed by only one person does not qualify as a *joint contribution*.Attribute the full amount of such a check only to the person who signed it.Alternatively, a reattribution may be sought using the procedures described below.)

For the purposes of itemization, report a *joint contribution* as though the joint contributors had given separately.

A *joint contribution* is itemized in items A and B in the illustration on page 57. In this case, the committee received a \$1,000 check from a married couple, signed by both spouses. Because there were no